

BAY AREA  
AIR QUALITY



TRANSPORTATION  
FUND FOR  
CLEAN AIR

**2003**

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# **T**ransportation **F**und for **C**lean **A**ir ---

## **Regional Fund Application Guidance**

**Bay Area Air Quality Management District  
939 Ellis Street, San Francisco, CA 94109  
April 2003**

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## SUMMARY OF 2003/04 CHANGES

**Application Deadline:** Your FY 2003/04 TFCA Regional Fund Applications are due to the Air District by **Monday, June 30, 2003.**

**Revised TFCA Policies:** Revised TFCA policies and evaluation criteria for FY 2003/04 are included in Appendix A. Significant policy changes are outlined below:

**Policy #1 TFCA Cost-Effectiveness and Evaluation Criterion #1:** The cost-effectiveness level (TFCA cost per ton of emissions reduced) that projects must meet, has been raised from \$50,000/ton to \$90,000/ton. New measurements of emissions released by the California Air Resources Board (CARB) drove this change. The new measurements show that as old vehicles are replaced by clean new vehicles, the overall fleet becomes much cleaner. TFCA projects seek to reduce the most emissions possible. With the new emissions measurements, this is harder to do and the net amount of emissions reduced by projects is less. As a result, TFCA cost-effectiveness will go up. Project sponsors are encouraged to discuss with TFCA staff the potential impact of these changes on their application, and the appropriate funding to request for their project.

**Policy #26 Heavy-Duty Vehicle Replacement:** Projects for heavy-duty vehicle purchases often involve a public agency project sponsor and a third-party private provider. In past years, when a new heavy-duty vehicle was purchased with TFCA funds, the third-party private provider was required to scrap a similar vehicle in their fleet. Two options have been added to this policy. The first option allows the vehicle being scrapped to be either in the public agency project sponsor's fleet or in the third-party private provider's fleet. The second option allows the addition of a diesel particulate filter, certified by CARB to a similar vehicle (either in the public agency project sponsor's fleet or in the third-party private provider's fleet) instead of scrappage.

**New Policy #27 Reducing Emissions from Existing Heavy-Duty Diesel Engines:** This new policy allows technologies capable of reducing emissions from existing diesel engines to be eligible for funding. Technologies available this year include diesel repowers and diesel retrofits with aftertreatment devices. To be eligible, all technologies must be certified or verified by CARB. Please note that the total amount of Regional Funds allocated to projects under Policy #27 shall not exceed 20% of the total Regional Funds awarded for the fiscal year.

**Policy #29 Shuttle/Feeder Bus Service:** This policy requires shuttle operators to comply with CARB particulate matter standards for public transit fleets. This year, the policy has been improved to offer several options as to how shuttle operators can comply with this requirement in order to compete for TFCA funds. The options include use of one of the following vehicle types: alternate fuel, hybrid-electric, post-1994 diesel with a particulate filter, or post-1989 gasoline.

**Additional Information:** If you have any questions, please call the TFCA staff contact for your project type as listed on page 4 of the guidance document.

## REMINDER CHECKLIST

- ☐ Read through this Application Guidance booklet, including the evaluation criteria in Section II and the TFCA policies in Appendix A
- ☐ Attend the TFCA application workshop at 9:30 am on Tuesday, May 20, 2003. Directions to the Air District are available on our website at [www.baaqmd.gov](http://www.baaqmd.gov). The workshop is especially recommended for first time applicants; attendance at the workshop is not a prerequisite to apply for funds
- ☐ If uncertain about the eligibility of the project, check with the Air District lead contact for your project type (See page 4 for contact list)
- ☐ Be sure that the organization submitting the application is a public agency. If requesting funds on behalf of a non-public agency, the public agency must provide a copy of the agreement that commits the non-public agency to implementing the project
- ☐ Application must include:
  - ☐ Application form
  - ☐ Supplementary Project Information Sheet (as applicable for your project type)
  - ☐ An Authorizing Resolution from your Governing Board approving the submittal of your application and identifying the individual authorized to submit and carry out the proposal
  - ☐ Documentation for any matching funds that will be applied to the project
- ☐ Entirely **separate** applications for clean air vehicle projects must be filed for:
  - Each fuel type (i.e., electric vehicles must be separate from natural gas vehicles); and
  - Each of the following categories of vehicles: 1) transit buses; 2) shuttle buses, 3) school buses; 4) heavy-duty vehicles (other than buses), and 5) other vehicle types (e.g., parking enforcement vehicles, small utility vehicles etc.). For example, a project sponsor seeking funding for a medium-duty electric vehicle, a medium-duty shuttle, and a heavy-duty natural gas vehicle will need to submit three applications
- ☐ Applications for ridesharing, shuttle and feeder bus service, transit information and smart growth projects must estimate the number of vehicle trips that will be reduced by the project, and provide supporting information and data to justify the estimate (see Part 7 of the application form). The applicant should provide data based upon a pre-project survey, focus groups, or other data sources to document potential user demand, pre-project mode of travel, average length of vehicle trip, etc.
- ☐ Arterial management and signal timing projects, require that the data for traffic volume and average vehicle speed (see Part 9 of the application form) be generated concurrently (i.e., during the exact same day and time period)

## **I. REGIONAL FUND SUMMARY**

### **Transportation Fund for Clean Air**

This document describes the Transportation Fund for Clean Air (TFCA) program's Regional Fund and explains how to apply in the FY 2003/04 funding cycle. The Bay Area Air Quality Management District (Air District), in conjunction with the Department of Motor Vehicles, collects a \$4.00 surcharge on motor vehicle registrations paid within the Air District's jurisdiction. The surcharge provides funding for the Air District's Transportation Fund for Clean Air. TFCA funds are distributed to public agencies to implement projects to reduce air pollution from motor vehicles in accordance with the requirements of State law and the Air District's *Bay Area 2000 Clean Air Plan (CAP)* and the *2001 Ozone Attainment Plan*.

The statutory authority for the TFCA, the eligible types of projects, and the requirements that govern administration of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

The Air District's objectives for the TFCA are to fund the most cost-effective projects that reduce motor vehicle emissions, and to support implementation of the transportation control measures (TCMs) and mobile source measures in the *CAP* and the *2001 Ozone Attainment Plan*.

### **Allocation of TFCA Funds**

All TFCA funds are distributed by the Air District through two processes. Forty (40) percent of the funds generated in each county are returned to a designated Program Manager at the Congestion Management Agency within each county (e.g., 40 percent of the funds generated in Marin County are returned to Marin County). Each fiscal year, each Program Manager submits an expenditure program of recommended projects for its 40 percent share of the TFCA funds to the Air District for approval.

The balance (60 percent) of the revenues is allocated directly by the Air District. These funds are first used to fund certain Air District programs, such as the Smoking Vehicle complaint line and the Vehicle Buy Back scrappage program. The remainder of the monies, called the Regional Fund, is distributed to public agencies through a competitive grant application process, as described in this document.

### **Who Can Apply**

Any public agency within the jurisdiction of the Air District is eligible to apply for TFCA Regional Funds. The Air District encompasses all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, and the southern parts of Solano and Sonoma counties. Eligible public agencies include cities, counties, transit districts, school districts, and other special purpose agencies.

Non-profit organizations and private companies cannot apply directly for TFCA funds, but may join with a public agency to sponsor and implement an eligible project.

## Available Funds

Approximately \$10 million will be available for distribution via the competitive Regional Fund in FY 2003/04. The minimum Regional Fund grant for a single project is \$10,000 and the maximum grant is \$1 million.

## Eligible Project Types

The following project types are eligible for funding under the Regional Fund:

- Implementation of low emission and zero-emission vehicle projects.<sup>1</sup>
- Implementation of ridesharing programs.<sup>2</sup>
- The purchase or lease of clean fuel buses for school districts and transit operators.
- The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
- Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
- Implementation of rail-bus integration and regional transit information systems.
- Demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
- Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
- The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan (e.g., bicycle plan or pedestrian plan). Note: this category is usually referred to as the "smart growth" category.

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<sup>1</sup> Low emission, alternative fuel vehicles with a gross vehicle weight (GVW) greater than 10,000 lbs. are eligible for purchase under the TFCA Regional Fund and TFCA Program Manager Fund. Low emission, alternative fuel vehicles with a GVW of 10,000 pounds or less are eligible for incentives under the TFCA Program Manager Fund or the TFCA Vehicle Incentive Program (VIP). See page 17 for additional information on these TFCA-funded programs.

<sup>2</sup> For purposes of TFCA Regional Fund applications, "ridesharing" means carpooling, vanpooling, or transit.

## **Schedule for FY 2003/04 TFCA Regional Fund Cycle**

April 30 2003	Application Packets mailed out
Tuesday, May 20, 2003	Workshop for project applicants at 9:30 am
<b>Monday, June 30, 2003</b>	<b>Deadline to submit Regional Fund applications</b>
September 2003	Funding allocations approved by Mobile Source Committee (tentative)
October 2003	Funding allocations approved by Board of Directors (tentative)

## **Funding Agreements**

Sponsor agencies will be notified by mail after projects are approved by the Air District Board of Directors. Air District staff will prepare project funding agreements that set forth the terms, conditions, and monitoring and reporting requirements of each TFCA grant. The Air District will not execute a funding agreement for an approved TFCA grant until all project funding has been approved and secured.

## **How Recipients Will Receive Funds**

The payment schedule will be established in the funding agreement for each project. No funds will be released until the funding agreement has been signed by the project sponsor and the Air District. In general, payment will be made on a reimbursement basis, after project costs are incurred and documented.

## **Expenditure of Funds**

Project sponsors can only incur project costs as of the date of approval by the Air District Board of Directors. The Air District will not fund any portion of an applicant's cost of preparing and submitting an application. Any agency receiving funds must expend the funds within two years of the effective date of the Funding Agreement, unless a longer period is approved in advance by the Air District. The Air District will not fund any portion of an applicant's cost of preparing and submitting an application. Any agency receiving funds must expend the funds within two years of the effective date of the funding agreement, unless a longer period is approved in advance by the Air District.

Administrative costs are limited by law to a maximum of five percent of total TFCA funds expended on a project. These costs must be identified in advance in the funding agreement. Appendix D provides additional discussion regarding TFCA administrative costs.

## **Monitoring and Reporting Requirements**

Project sponsors are required to submit periodic progress reports (generally on a quarterly basis) as specified in individual funding agreements. The Air District will send an overdue report notification to project sponsors if a report is not received by the due date. Receipt of three overdue report notifications over the project life will result in a one-year suspension of the project sponsor to apply for Regional Funds. In addition, a delay in receiving reports from the project sponsor may result in project funds being withheld until the appropriate report is submitted to the Air District.

All project sponsors must submit a final report to fulfill monitoring requirements specified in the project funding agreement. The monitoring data is required to document the emission reductions achieved by the project. The Air District will withhold a portion of the TFCA grant funds (typically 15%) pending receipt and acceptance of the final report.

### **Audits**

Each project that receives TFCA funds will be subject to a fiscal audit after the project is completed and may be subject to a performance audit. The Air District will select an independent auditor to conduct the fiscal audit. Air District staff will conduct the performance audit to verify that the project has been implemented as approved. During the performance audit, the project is evaluated for compliance with monitoring requirements set forth in the funding agreement and to determine its effectiveness in reducing emissions from motor vehicles. A consultant may assist District staff with the performance audits.

### **Additional Information**

Applicants are strongly encouraged to discuss their applications with Air District staff prior to submittal. Air District staff can provide assistance in preparing project applications, and in identifying necessary data to evaluate the potential emission reductions for the project.

Please direct your questions to the Air District contact for your type of project:

<b>Project Type</b>	<b>Air District Contact</b>
Bicycle Facility Improvements	David Burch (415) 749-4641 <a href="mailto:dburch@baaqmd.gov">dburch@baaqmd.gov</a>
Shuttles & Feeder Bus Services Rideshare Programs Rail-Bus Integration Regional Transit Information	Andrea Gordon (415) 749-4940 <a href="mailto:agordon@baaqmd.gov">agordon@baaqmd.gov</a>
Heavy-duty Vehicles (including repowers & retrofits) New Bus Purchases	Vanessa Mongeon (415) 749-4982 <a href="mailto:vmongeon@baaqmd.gov">vmongeon@baaqmd.gov</a>
Arterial Management Projects Smart Growth Projects Demonstration of Congestion Pricing Demonstration of Telecommuting	Karen Chi (415) 749-5121 <a href="mailto:kchi@baaqmd.gov">kchi@baaqmd.gov</a>



## II. EVALUATION CRITERIA AND SCORING

TFCA Regional Fund applications will be reviewed by Air District staff based upon the evaluation and scoring criteria described below. The maximum possible score is 100 points. Applications must achieve a minimum score of 40 points, and a TFCA funding effectiveness of less than \$90,000 per ton of emissions reduced, in order to be considered for funding.

Available Regional Funds will be allocated to projects beginning with the highest ranking project and proceeding in sequence to lower-scoring projects. In the event that two or more projects achieve an equal score, the project with the best TFCA funding effectiveness will receive priority. The Air District will fund as many eligible projects as available funds can fully cover. The point where the next-ranked eligible project cannot be fully funded defines the cut-off point for the funding cycle, i.e., all projects above this point will be funded. Any remaining unallocated funds will be allocated to projects in the subsequent funding cycle. No partial grant awards will be made, however, grant awards may be reduced from the original application request by the mutual consent of the project sponsor and the Air District.

The Air District Board of Directors approved a new TFCA policy in FY 2003/04 that allows technologies capable of reducing emissions from existing diesel engines to be eligible for funding. Projects competing under this policy (Policy #27 Reducing Emissions From Existing Diesel Engines) shall not exceed 20% of the available Regional Funds for the fiscal year. After scoring and ranking all projects, the requested funds for projects competing under Policy #27 will be added together and compared against the total available Regional Funds. The District will fund as many eligible projects as 20% of the available Regional Funds can fully cover. The point where the next-ranked eligible project under Policy #27 cannot be fully funded, defines the cut-off point. All projects above this point will be funded.

**FY 2003/04 TFCA Regional Fund Scoring Criteria**

<b>Criteria</b>	<b>Maximum Points</b>
1. TFCA Funding Effectiveness	<b>60</b>
2. Other Project Attributes	<b>15</b>
3. Clean Air Policies and Programs	<b>10</b>
4. Disadvantaged Community	<b>10</b>
5. Promote Alternative Transportation Modes	<b>5</b>
<b>Total</b>	<b>100</b>

■ **Criterion 1: TFCA Funding Effectiveness [maximum 60 points]**

This criterion is designed to measure the cost-effectiveness of a project in reducing air pollutant emissions and to encourage projects that contribute funding from other, non-TFCA sources in excess of required matching funds. TFCA funds budgeted for the project (both Regional Funds and Program Manager Funds combined) will be divided by the estimated lifetime emissions reduction for the project. The estimated lifetime emission reduction is the sum of reactive organic gases (ROG), oxides of nitrogen (NO<sub>x</sub>), and particulate matter (PM<sub>10</sub>) that will be reduced over the life of the project. Air District staff will determine the estimated emission reductions and TFCA funding effectiveness for the project.

The point scale for Criterion #1 is presented below:

**Point Scale for Criterion #1**

TFCA \$/Ton			Points	TFCA \$/Ton			Points
\$0	-	\$19,999	60	\$66,000	-	\$67,999	36
\$20,000	-	\$21,999	59	\$68,000	-	\$69,999	35
\$22,000	-	\$23,999	58	\$70,000	-	\$71,999	34
\$24,000	-	\$25,999	57	\$72,000	-	\$73,999	33
\$26,000	-	\$27,999	56	\$74,000	-	\$75,999	32
\$28,000	-	\$29,999	55	\$76,000	-	\$77,999	31
\$30,000	-	\$31,999	54	\$78,000	-	\$79,999	30
\$32,000	-	\$33,999	53	\$80,000	-	\$81,999	29
\$34,000	-	\$35,999	52	\$82,000	-	\$83,999	28
\$36,000	-	\$37,999	51	\$84,000	-	\$85,999	27
\$38,000	-	\$39,999	50	\$86,000	-	\$87,999	26
\$40,000	-	\$41,999	49	\$88,000	-	\$89,999	25
\$42,000	-	\$43,999	48	\$90,000	-	and above	0
\$44,000	-	\$45,999	47				
\$46,000	-	\$47,999	46				
\$48,000	-	\$49,999	45				
\$50,000	-	\$51,999	44				
\$52,000	-	\$53,999	43				
\$54,000	-	\$55,999	42				
\$56,000	-	\$57,999	41				
\$58,000	-	\$59,999	40				
\$60,000	-	\$61,999	39				
\$62,000	-	\$63,999	38				
\$64,000	-	\$65,999	37				

**■ Criterion 2: Other Project Attributes [maximum 15 points]**

The purpose of this criterion is to provide a mechanism in the evaluation and scoring process to identify and assess desirable project attributes that are not captured in the analysis of TFCA funding effectiveness. Projects may score points under this criterion based upon specific project attributes identified for each project type. A draft list of Other Project Attributes, based on those used in the previous funding cycle, is provided in Appendix B. The list will be finalized after project applications have been received and reviewed.

**■ Criterion 3: Clean Air Policies and Programs [maximum 10 points]**

The purpose of this criterion is to recognize and encourage efforts of public agencies to implement policies and programs that promote the region's air quality objectives, especially land use and transportation policies that help to reduce air pollution from motor vehicles.

To receive points for this criterion, the sponsoring agency must describe its most up-to-date policies and actions to implement the transportation control measures (TCMs) in the applicable *Bay Area Clean Air Plan* or *Bay Area 2001 Ozone Attainment Plan* (Both plans are available on the Air District's website: [www.baaqmd.gov](http://www.baaqmd.gov)). Points will be awarded based upon the performance of the project sponsor in implementing those elements of each TCM within the purview of the sponsor agency.

**■ Criterion 4: Disadvantaged Community [maximum 10 points]**

This criterion will award a maximum of 10 points for projects that directly reduce emissions in economically disadvantaged communities. For purposes of this criterion, economically disadvantaged communities are defined in reports entitled *A Guide to the Bay Area's Most Impoverished Neighborhoods* and *Changes to the Bay Area's Most Impoverished Neighborhoods*, prepared for the Bay Area Partnership by the Northern California Council for the Community. The specific list of census tracts that qualify for points under this criterion is provided in Appendix C.

To qualify for points, the project must directly benefit one or more of these communities. The project sponsor must 1) identify the census tracts in the disadvantaged community that will benefit from the project, 2) specify the percentage of project resources or services that will be delivered to the identified disadvantaged community, 3) provide a clear explanation as to how the project directly benefits residents in that community, and 4) provide a map that clearly identifies nearby sensitive receptors (e.g., schools, hospitals). The number of points awarded will be based upon the percentage of project resources that directly benefit the community and the extent to which the project sponsor demonstrates this benefit.

**■ Criterion 5: Promote Alternative Transportation Modes [maximum 5 points]**

This criterion will award a maximum of 5 points for projects that promote alternative modes of transportation (transit, ridesharing, bicycling, walking) and reduce single occupant vehicle trips by the general public: e.g., shuttle services, ridesharing, bicycle facility improvements, and "smart growth" projects. The number of points awarded will be based upon the Air District's estimate of the number of project users or beneficiaries.

### III. GUIDELINES FOR SPECIFIC PROJECT TYPES

This section provides guidelines and tips for each of the major eligible project types. Under each project type, **Basic Eligibility** identifies the applicable policies. **Strengthening Your Application** specifies the particular criteria and parameters that Air District staff has determined to be cost-effective, based upon experience in administering the TFCA program. The purpose of this information is to assist potential applicants for Regional Funds in identifying the types of projects that are likely to result in cost-effective use of TFCA funds. This information is advisory in nature. The specific cost-effectiveness of each project will be determined on a case-by-case basis.

Please note that there are project types eligible for TFCA funding for which no information is provided under Strengthening Your Application. This is because these project types vary so significantly that there are no general guidelines.

For all project types, early contact with the TFCA liaison for your specific project type is encouraged.

#### **Shuttle/Feeder Bus**

**Basic Eligibility:** Applications for shuttle/feeder bus projects must meet applicable requirements outlined in TFCA Policies #13 and #29, Appendix A.

**Strengthening Your Application:** Projects with the following characteristics are typically more cost-effective in reducing emissions:

- Shuttle operates during the peak-period only
- Shuttle route serves a large business park or employment hub
- Service is provided using clean fuel, low emission vehicles (natural gas, electric, or hybrid electric). Use of alternative fuel shuttle vehicles is not a requirement, provided that applicant demonstrates compliance with the particulate matter standard as outlined in Policy #29
- At least 50% of the shuttle cost is paid through a non-TFCA funding source (e.g., private sector)

**Application Form:** Complete pages 1-5, and Supplementary Project Information Sheet, Parts 7 and 8.

**Required Information:** Estimated number of trips eliminated, length of trip eliminated, type of shuttle vehicle, and number and length of new trips generated by the project. Provide explanation of data source.

**Project Monitoring:** If project is approved for TFCA funding, sponsor will be required to submit data regarding the number of shuttle trips per day, passengers per day, trip distance eliminated, and type of vehicles used.

**Staff Contact:** Andrea Gordon: 415-749-4940 or [agordon@baaqmd.gov](mailto:agordon@baaqmd.gov)

## **Ridesharing; Rail-Bus Integration; Regional Transit Information**

**Basic Eligibility:** Applications for ridesharing, rail-bus integration, and regional transit information must meet the requirements outlined in TFCA Policy #16, Appendix A.

**Strengthening Your Application:** Applications should demonstrate a strong potential to shift trips from single occupant vehicles to an alternative mode of transportation in a cost-effective manner. Projects with the following characteristics are typically more cost-effective in reducing emissions:

- **Transit Information:** Project will provide transit information for the nine Bay Area counties
- **Rail-Bus Integration:** Project will facilitate transfers between regional and local transportation systems

**Application Form:** Complete pages 1-5, and Supplementary Project Information Sheet, Part 7. Applicants for vanpool projects must also complete Part 8.

**Required Information:** Estimated number of trips eliminated, number of riders using the service that were previously driving alone, length of trip eliminated, and number and length of any new vehicle trips generated by the project. For existing projects, use project-specific data. For new projects, use survey data or data from similar existing projects. Explain assumptions and show relevant calculations.

**Project Monitoring:** If the project is approved for TFCA funding, monitoring requirements will be determined based upon the specific nature of the project.

**Staff Contact:** Andrea Gordon: 415-749-4940 or [agordon@baaqmd.gov](mailto:agordon@baaqmd.gov)

## **Bicycle Facility Improvements**

**Basic Eligibility:** Applications for bicycle facility improvements must meet the requirements outlined in TFCA Policy #30, Appendix A.

**Strengthening Your Application:** Bicycle project applications should demonstrate a strong potential to reduce motor vehicle trips by providing bicycle facilities for commute trips, trips to school, shopping, errands, etc. Applications are encouraged for bicycle projects that will:

- Enhance bicycle access to major activity centers
- Enhance bicycle access to transit stations and transit systems, and
- Close gaps in existing bicycle networks
- Eliminate or mitigate significant safety hazards in the existing road network

Notes: 1) Projects that will be used primarily for recreational bicycle use are not likely to compete successfully for TFCA funds. 2) Off-road bicycle paths typically have higher costs; these projects generally do not score well unless the requested TFCA funding amount is modest.

**Application Form:** Complete pages 1-5, and either:

Part 10 for bicycle lanes, bicycle routes or bicycle paths, or

Part 11 for bicycle racks, lockers, or other forms of bicycle storage

**Required Information:** For bicycle lanes, bicycle routes, and bicycle paths, provide data as to the location, length (distance) of project, and average daily volume of motor vehicle traffic (ADT) on the roadway.

For bicycle racks and lockers, provide information as to the quantity, type, and location of racks or lockers, and explanation as to current demand/need for facilities.

**Project Monitoring:** If the project is approved for TFCA funding, pre-project and post-project counts of cyclists may be required for bicycle lanes, routes, and paths. Post-project usage data will be required for bicycle locker and attended bicycle parking.

**Staff Contact:** David Burch: 415-749-4641 or [dburch@baaqmd.gov](mailto:dburch@baaqmd.gov).

## Clean Air Vehicle Projects

**Basic Eligibility:** Applications for clean air vehicles must meet the applicable requirements outlined in TFCA Policies #21 through #28, Appendix A.

The TFCA Regional Fund accepts applications for projects to subsidize the incremental cost to purchase clean fuel buses and other low emission vehicles with a gross vehicle weight (GVW) greater than 10,000 lbs. For information about funds available for clean air vehicles with a GVW less than 10,000 lbs, please refer to the Vehicle Incentive Program on page 17.

**Strengthening Your Application:** Buses, medium-duty, and heavy-duty vehicle project applications must identify an engine certified to at least the California Air Resources Board's optional reduced-emission NO<sub>x</sub> plus nonmethane hydrocarbon (NMHC) standard for 2004 (1.8 g/bhp-hr). Projects with engines certified to a lower level than 1.8 g/bhp-hr are most cost-effective.

**Application Form:** Applicant must complete a separate application for each type of vehicle/fuel requested. Complete pages 1-5 and Part 12. If satisfying the requirements of Policy #26 by retrofitting an existing equivalent vehicle with a diesel particulate filter (DPF), also complete Part 14.

**Required Information:** Vehicle make, model, year, fuel type, engine make and size, gross vehicle weight, NO<sub>x</sub> + NMHC certification level, estimated annual miles, estimated annual fuel use, estimated vehicle life, and estimated engine life. Provide proof of engine NO<sub>x</sub> + NMHC certification level by submitting either a copy of the information from CARB's website ([www.arb.ca.gov/msprog/moyer/certeng.htm](http://www.arb.ca.gov/msprog/moyer/certeng.htm)) or CARB executive order (Available at (626) 575-6809 or [ychang@arb.ca.gov](mailto:ychang@arb.ca.gov). Please have model year, engine manufacturer name, and 12-digit engine family available.). If applying for funds on behalf of a non-public entity, as outlined in TFCA Policy #5, a copy of the contract or agreement between the public agency and non-public entity must be provided.

For clean air vehicle projects satisfying the requirements of Policy #26 by retrofitting an existing equivalent vehicle with a diesel particulate filter, see Retrofits for Existing Engines, page 12.

**Project Monitoring:** Sponsors will be required to submit documentation to show that an equivalent vehicle has been removed from service and destroyed, or that a DPF certified or verified by CARB to reduce emissions in the relevant engine has been purchased and installed in accordance with TFCA Policy #26 in Appendix A. Some projects involving new technology or unusual configurations will be required to provide up to one year of in-use data (miles traveled, problems encountered, etc.)

**Staff Contact:** Vanessa Mongeon 415-749-4982 or [vmongeon@baaqmd.gov](mailto:vmongeon@baaqmd.gov)

## Repowers for Existing Engines

**Basic Eligibility:** Applications for repowers (replacing an old engine with a new engine) must meet the requirements outlined in TFCA Policy #27, Appendix A.

Vehicles must have a gross vehicle weight (GVW) greater than 10,000 lbs (shuttle vehicles less than 10,000 lbs will be considered).

**Strengthening Your Application:** Repowers to buses, shuttles, and heavy-duty vehicle project applications must identify an engine certified to at least the California Air Resources Board's optional reduced-emission NO<sub>x</sub> plus nonmethane hydrocarbon (NMHC) standard for 2004 (1.8 g/bhp-hr). Projects with new repower engines certified to a lower level than 1.8 g/bhp-hr are most cost-effective.

**Application Form:** Applicant must complete a separate application for each type of vehicle/fuel requested. Complete pages 1-5 and Part 13.

**Required Information:** For the existing vehicle: number of vehicles, engine make, engine model, engine year, fuel type, estimated vehicle life, government vehicle weight (GVW) and vehicle identification number (VIN). For the new repower engine: engine make, engine model, engine year, fuel type, NO<sub>x</sub> + NMHC certification level, estimated annual miles, estimated annual fuel use, and estimated vehicle life. Provide proof of new repower engine NO<sub>x</sub> + NMHC certification level from CARB website: ([www.arb.ca.gov/msprog/moyer/certeng.htm](http://www.arb.ca.gov/msprog/moyer/certeng.htm)).

**Project Monitoring:** Sponsors will be required to provide up to one year of in-use data (miles traveled/gallons of fuel used, problems encountered, any changes in power or fuel use, satisfaction with new engine, etc.) Sponsors may also be asked about the disposition of the old engine.

**Staff Contact:** Vanessa Mongeon 415-749-4982 or [vmongeon@baaqmd.gov](mailto:vmongeon@baaqmd.gov)

## Retrofits for Existing Engines

**Basic Eligibility:** Applications for retrofits (installing an aftertreatment device on an existing vehicle) must meet the requirements outlined in TFCA Policy #27, Appendix A.

Vehicles must have a gross vehicle weight (GVW) greater than 10,000 lbs (shuttle vehicles less than 10,000 lbs may be considered).

**Strengthening Your Application:** Retrofits to buses, shuttles, and heavy-duty vehicle project applications must identify a retrofit device certified or verified by CARB to reduce emissions and be approved by CARB for use with the relevant engine.

**Application Form:** Applicant must complete a separate application for each type of vehicle/retrofit requested. Complete pages 1-5 and Part 14.

**Required Information:** For the existing vehicle and engine: number of vehicles, engine make, engine model, engine year, fuel type, estimated vehicle life, government vehicle weight (GVW), vehicle identification number (VIN), estimated annual mileage, and estimated annual fuel use. For each retrofit device: the name of the retrofit device, the certification level (1-3), and the emissions reductions. Information about certified retrofit devices is available at: <http://www.arb.ca.gov/diesel/verifieddevices/verdev.htm>. Fuel receipts or other documentation is required to support annual fuel consumption.

**Project Monitoring:** Sponsors will be required to provide up to one year of in-use data (miles traveled/gallons of fuel used, problems encountered, any changes in power or fuel use, satisfaction with new engine, etc.) Sponsors may also be asked about the disposition of the old engine.

**Staff Contact:** Vanessa Mongeon 415-749-4982 or [vmongeon@baaqmd.gov](mailto:vmongeon@baaqmd.gov)

## Smart Growth

**Basic Eligibility:** Applications for smart growth must meet the requirements outlined in TFCA Policy #32, Appendix A.

For Smart Growth projects that include bicycle elements, see Bicycle Projects on page 9.

**Strengthening Your Application:** Smart Growth project applications should demonstrate a strong potential to reduce motor vehicle trips by improving mobility via walking, bicycling and transit. Applications are encouraged for Smart Growth projects that:

- Are located along high volume transit corridors
- Are associated with a multi-modal transit center
- Support high-density mixed-use development
- Redevelop or infill existing high-density communities

Street and building beautification projects that are not likely to directly reduce motor vehicle emissions will not compete successfully for TFCA funds

**Application Form:** Complete pages 1-5, and Part 7, Smart Growth - Sections A, B and C



**Required Information:** For each project component, list the number of trips reduced per day, the number of riders benefiting from the project that were previously driving alone, number of days per year, average one-way trip distance, and the source of the estimate. Also, provide data regarding current and projected motor vehicle volumes, transit ridership, bicycle counts and pedestrian volumes in the vicinity of the project. Explain source of data.

**Project Monitoring:** Pre-project and post-project monitoring of the motor vehicle volumes, transit ridership, bicycle counts and pedestrian volumes will be required if the project is approved for TFCA funding.

**Staff Contact:** Karen Chi: 415-749-5121 or [kchi@baaqmd.gov](mailto:kchi@baaqmd.gov)

## Arterial Management

**Basic Eligibility:** Applications for arterial management must meet the requirements outlined in TFCA Policy #31, Appendix A.

For arterial management projects that include bicycle elements, see Bicycle Projects on page 9, and for projects that include pedestrian elements, see Smart Growth Projects on page 12.

**Strengthening Your Application:** Arterial management project applications should demonstrate a strong potential to reduce motor vehicle trips by improving transit, bicycling and pedestrian mobility. Applications are encouraged for arterial management projects that will:

- Reduce transit headways and speed transit service
- Promote mode shift from motor vehicles to transit, bicycling or walking
- Incorporate means to reduce delays to transit, bicycles, pedestrians and motor vehicles

Projects to perform routine maintenance of signal systems are not eligible to receive TFCA funding. Projects that increase vehicle speeds above 30 mph and high technology solutions, such as fiber optic installations to interconnect traffic signals, are not likely to compete successfully for TFCA funds.

**Application Form:** Complete pages 1-5, and either:

Part 9, Sections A, B and C for signal timing projects, or

Part 9, Section D for rapid bus, transit signal priority projects.

**Required Information:** For rapid bus projects, provide data regarding current and projected number of runs, bus speeds, trip distance and ridership. For signal timing projects provide data regarding length of roadway; and current speeds, predicted speeds, and traffic volumes for each direction and time period that would be modified by the project.

**Project Monitoring:** Pre-project and post-project monitoring of the information noted above in Required Information will be required if the project is approved for funding.

**Staff Contact:** Karen Chi: 415-749-5121 or [kchi@baaqmd.gov](mailto:kchi@baaqmd.gov)

## IV. APPLICATION INSTRUCTIONS

### Application Process

This section includes application instructions to apply for the TFCA Regional Fund. There are three ways to obtain a TFCA Regional Fund application form:

- Air District web site: <http://www.baaqmd.gov/planning/plntrns/tfcapage.htm> then click on the 2003 TFCA Regional Application Form
- By e-mail request at [tfca@baaqmd.gov](mailto:tfca@baaqmd.gov)
- By telephone request on the TFCA document request line at (415) 749-4994

Applications must be received at the Air District's offices by **5:00 P.M. on Monday, June 30, 2003**. **No extensions** of this deadline will be granted. Applications via e-mail or fax machine will not be accepted.

Submit two copies of each application to:

Liz Berdugo  
Supervisor, Transportation Fund for Clean Air  
Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, CA 94109

Hand delivered applications should be brought directly to the Transportation Fund for Clean Air, 7th floor, at the address above.

### Instructions

All applicants must complete the FY 03/04 TFCA Regional Fund application form. A separate application form must be submitted for each project. For clean air vehicle projects (school and transit bus projects, and heavy-duty vehicles), separate applications must be completed for each fuel type (i.e., natural gas only, electric vehicles only) and for each of the following categories of vehicles: 1) transit buses; 2) shuttle buses, 3) school buses; 4) heavy-duty vehicles (other than buses), and 5) other vehicle types (e.g., parking enforcement vehicles, small utility vehicles etc.). For example, a project sponsor seeking funding for a medium-duty electric vehicle, a medium-duty shuttle, and a heavy-duty natural gas vehicle will need to submit three separate applications.

Complete Parts 1 through 6 of the *Application Form* for each application. In addition, complete the appropriate supplementary information sheet(s) that corresponds to your project type (Part 7 through 14). Applicants may attach additional information as needed. Below is an explanation of what the application requires, by Part.

### Part 1: Summary Information

Provide all information requested.

## **Part 2: Project Description**

Provide a concise project description. Answer the questions: who? what? when? where? and why? Provide all information requested. Attach additional information (e.g., maps), as appropriate.

## **Part 3: Budget**

Provide a breakdown of the total project budget, including line item detail, if available.

Note: Requests are limited to actual project costs to be incurred. Requests for contingent costs will not be funded. Planning activities that are not directly related to implementation of the project will not be funded. A maximum of five (5) percent of the total TFCA funds expended on a project may be used for administrative costs. Any administrative costs must be identified in the original project budget.

## **Part 4: Funding**

List the amount of TFCA Regional Funds requested. Note any TFCA Program Manager Funds allocated to the project. Specify the amount and source of all other project funds. Documentation of matching funds in the form of a resolution, budget, letter of funding commitment, or contract is to be submitted with the application. If this documentation is not available at the time the application is submitted, indicate when it will be provided to the Air District.

## **Part 5: TCM Implementation (Criterion #3)**

To apply for points based upon implementation of the transportation control measures in the *Clean Air Plan*, complete this section. Check the box for each TCM that your agency is implementing. On the following page, provide a brief paragraph summarizing the policies and actions that your agency has taken to implement each TCM. Submission of TCMs without the requested description will not satisfy Part 5. See Criterion #3 on page 7 for further details.

Note: provide a description only; do not submit supporting documentation.

## **Part 6: Project Information**

Provide appropriate documentation as noted.

All applications must include a resolution by the governing body of the agency authorizing the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal. The Air District will provide a sample resolution upon request at the TFCA document request line at (415) 749-4994 or via e-mail at [tfca@baaqmd.gov](mailto:tfca@baaqmd.gov).

**Part 7 through 14: Supplementary Project Information Sheets**

Complete and submit the supplementary sheet(s), which corresponds to your project type only.

<b>Project Type</b>	<b>Supplementary Part</b>
Ridesharing projects	Part 7
Shuttle and feeder bus projects*	Part 7 and Part 8
Vanpool projects	Part 7 and Part 8
Regional transit information	Part 7
Rail-bus integration projects	Part 7
Smart Growth projects	Part 7
Arterial management projects	Part 9 (Sections A-C)
Transit bus traffic signal preemption	Part 9 (Section D only)
Bicycle paths, lanes, and routes	Part 10
Bicycle racks and lockers	Part 11
School, shuttle, and transit bus replacement projects	Part 12
Heavy-duty clean air vehicles (other than buses) greater than 10,000 lbs. GVW	Part 12
Repowers to existing engines	Part 13
Retrofits to existing engines	Part 14

\* Shuttle and feeder bus projects that receive public funding must fulfill obligations established by the Americans with Disabilities Act of 1990 (ADA). Specifically, a person with disabilities must be able to have access to your shuttle/feeder bus service in the same way as a non-disabled person. All vehicles used to provide the shuttle/feeder bus service must be wheelchair accessible, and the service provided to a person with disabilities must be equivalent with the service for the non-disabled. To be equivalent, the service must be consistent in several ways: response time, fares, geographic area of service, and hours and days of service operation.

## V. BAAQMD TRANSPORTATION FUNDS

This section provides a summary of transportation funds available from the Air District. Should you have questions about any of the programs listed, the contact person is provided for your reference.

Program	Contact Person	Eligibility	Specifics
Regional Fund Competitive Program	Liz Berdugo 415-749-4946 <a href="mailto:lberdugo@baaqmd.gov">lberdugo@baaqmd.gov</a>	Public Agencies	Approximately \$10 million available annually. Eligible project types set by statute include: ridesharing, shuttle services, clean air vehicle projects, bicycle facility improvements, arterial management, and smart growth.
County Program Manager Fund	Liz Berdugo 415-749-4946 <a href="mailto:lberdugo@baaqmd.gov">lberdugo@baaqmd.gov</a>	Public Agencies	Funds vary annually and by county, proportional to motor vehicle registrations in the county. Eligible project types include as above for Regional Fund. Funds are allocated by the nine Bay Area County Congestion Management Agencies.
Vehicle Incentive Program (VIP)	David Burch 415-749-4641 <a href="mailto:dburch@baaqmd.gov">dburch@baaqmd.gov</a>	Public Agencies	Clean air vehicles (electric, hybrid- electric, natural gas) with a GVW of 10,000 lbs. or less. Must be certified to ULEV, SULEV, or ZEV emission standard: ULEV (\$3000), SULEV (\$4500), Hwy ZEV (\$6000), City ZEV (\$3000), neighborhood & 3-wheel ZEV (\$1500), hybrid electric ULEV (\$1000), hybrid electric SULEV (\$2000)
Vehicle Buy Back Program	1-888-690-CASH <a href="mailto:tfca@baaqmd.gov">tfca@baaqmd.gov</a>	Individuals	The District pays \$500 to scrap your qualifying 1981 or older vehicle. <b>Voluntary program.</b>
Charge! (Electric Vehicle Infrastructure) Program	David Burch 415-749-4641 <a href="mailto:dburch@baaqmd.gov">dburch@baaqmd.gov</a>	Public and Non-Public Entities	Up to 40% of the cost, not to exceed \$7000, for the installation of publicly accessible electric vehicle charging facilities. Site must meet requirements.
Carl Moyer Program (funded by CARB)	Michael Murphy 415-749-4644 <a href="mailto:mmurphy@baaqmd.gov">mmurphy@baaqmd.gov</a>	Public and Non-Public Entities	Funds incremental cost to repower heavy-duty diesel engines with natural gas engines or new diesel engines in specified vehicles and applications.
Lower Emission School Bus Program (funded by CARB)	Michael Murphy 415-749-4644 <a href="mailto:mmurphy@baaqmd.gov">mmurphy@baaqmd.gov</a>	Public School Districts	This program has two components: 1) School bus replacement program 2) Particulate Matter (PM) retrofit program

## APPENDIX A

### BOARD-ADOPTED TRANSPORTATION FUND FOR CLEAN AIR (TFCA) POLICIES FOR FY 2003/04

Policies may apply to one or more of the following funds/programs: Program Manager Funds, Regional Funds, Vehicle Incentive Program (VIP). The funds/programs that each policy applies to are indicated in parentheses following the policy. New policy language (adopted by the Air District Board of Directors in January 2003) is italicized.

#### Basic Eligibility

1. **TFCA Cost-Effectiveness:** The Air District Board will not approve any grant application for TFCA Regional Funds that has a TFCA funding effectiveness level equal to or greater than \$90,000 of TFCA funds per ton of total ROG, NO<sub>x</sub>, and PM<sub>10</sub> reduced (\$/ton).

This policy does not apply to clean air vehicle projects for passenger cars, pick-up trucks, and vans with a gross vehicle weight of 10,000 pounds or less. These projects are limited to the funding amounts specified in *Policy 23, Light-Duty Clean Air Vehicle Funding Participation*.

Annual expenditure plans for County Program Manager funds must achieve an aggregate TFCA cost-effectiveness of less than \$50,000 per ton. To calculate aggregate cost-effectiveness, total TFCA Program Manager funds allocated in the annual county expenditure plan are divided by the combined lifetime emissions reductions estimate for projects in the expenditure plan. Only funds allocated to projects for which cost-effectiveness worksheets are required, are included in the aggregate cost-effectiveness calculation. The following are excluded in the calculation of aggregate TFCA cost-effectiveness: TFCA Program Manager administrative costs, alternative fuel infrastructure projects, light-duty clean air vehicles with a GVW of 10,000 pounds or less, and TFCA Program Manager funds allocated for the regional ridesharing program. **(Regional Funds; Program Manager Funds)**

2. **Reduce Emissions:** Each project must result in a reduction of motor vehicle emissions. **(Regional Funds; Program Manager Funds; VIP)**
3. **Viable Project:** Each project application should identify sufficient resources to accomplish the project. Applications that are speculative in nature, or are contingent on the availability of unknown resources or funds, will not be considered for funding. **(Regional Funds; Program Manager Funds; VIP)**
4. **Responsible Public Agency:** TFCA funds may only be awarded to public agencies. These agencies must be responsible for the implementation of the project and have the authority and capability to complete the project. **(Regional Funds; Program Manager Funds; VIP)**

5. **Non-Public Entities:** A public agency may apply for TFCA funds for clean air vehicles on behalf of a non-public entity when one or more of the following conditions are met:
  - a) the non-public entity will use the vehicle(s) to provide, under permit or contract, an essential public service that would otherwise be provided directly by the public agency (e.g., refuse collection, street-cleaning, school bus service, etc.); or
  - b) the non-public entity will use the vehicle(s) to provide to the general public, under permit or contract, transportation demand management services (e.g., vanpools, shuttles to transit stations, door-to-door airport shuttles, taxi services, etc.) or services that provide members of the public with an opportunity to use electric vehicles, e.g., through station car projects, car rental services, or car-sharing programs.

As a condition of receiving TFCA funds on behalf of a non-public entity, the public agency must provide a written, binding agreement that commits the non-public entity to operate the clean air vehicle(s) within the Air District for the duration of the useful life of the vehicle(s). In those situations where multiple non-public entities are under contract or permit to provide the service described in a or b above, the public agency must provide a written policy which demonstrates that the vehicle incentive funds will be offered on an equitable basis to all of the non-public entities which are providing the service. **(Regional Funds; Program Manager Funds; VIP)**

6. **Consistent with Existing Plans and Programs:** All projects must conform to the types of projects listed in the California Health and Safety Code Section 44241 and the transportation control measures and mobile source measures included in the Air District's applicable Clean Air Plan (CAP) or the Bay Area 2001 Ozone Attainment Plan, and, when applicable, with the appropriate Congestion Management Program. **(Regional Funds; Program Manager Funds; VIP)**
7. **Matching Funds:** The Air District will not enter into a funding agreement for an approved project until all project funding has been approved and secured. For project applications requesting greater than \$100,000 in TFCA Regional Funds, project sponsors must provide matching funds from non-TFCA sources, which equal or exceed 20% of the total project cost. TFCA County Program Manager Funds do not count toward fulfilling the non-TFCA matching funds requirement. Project applications for TFCA Regional Funds of \$100,000 or less may request 100% TFCA funding. **(Regional Funds)**
8. **Authorizing Resolution:** Regional Fund grant applications must include a resolution from the governing board (e.g., City Council, Board of Supervisors, Board of Directors, etc.) authorizing the submittal of the application and identifying the individual authorized to submit and carry out the project. Applications submitted without an authorizing resolution will be returned to the sponsor and will not be scored if the adopted resolution is not received within 30 days of the application submittal deadline. **(Regional Funds)**

9. **Minimum Score:** The Air District will not award funds to any project which achieves a score of less than 40 points (out of a possible 100 points) based upon the project evaluation criteria and scoring listed in *Section II of the Regional Fund Guidance document*. **(Regional Funds)**
10. **Minimum Amount:** Only projects requesting \$10,000 or more in TFCA Regional Funds will be considered for funding. For clean air vehicle projects only, smaller funding applications will be accepted and considered. **(Regional Funds)**
11. **Maximum Amount:** No single project or competitive funding application may receive more than \$1,000,000 in TFCA Regional Funds in any given fiscal year. This limitation does not include any Program Manager Funds the project sponsor may receive for the project. **(Regional Funds)**
12. **Readiness:** Projects will be considered for funding only if the project will commence in calendar year 2004 or sooner. For purposes of this policy, commence means to order or accept delivery of vehicles or other equipment being purchased as part of the project, to begin delivery of the service or product provided by the project, or to award a construction contract. **(Regional Funds)**
13. **Maximum One Year Operating Costs:** For projects which request operating funds to provide a service, such as ridesharing programs and shuttle and feeder bus projects, the Air District will provide funding on an annual basis: i.e., the District will approve funding for one annual budget cycle. Applicants who seek TFCA Regional Funds for additional years must re-apply for funding in the next funding cycle. **(Regional Funds)**
14. **Project Revisions:** If project revisions become necessary, after the project funding agreement is signed, the revised project must be within the same eligible project category and receive a point score higher than the funding cut-off point based upon the scoring criteria for the year in which the project was originally approved. Project revisions initiated by the sponsor, which significantly change the project before the allocation of funds by the Air District Board of Directors will not be accepted. **(Regional Funds)**

### **Ineligible Projects**

15. **Duplication:** Applications for projects, which duplicate existing projects, regardless of funding source, will not be considered for funding. Combining Program Manager Funds with TFCA Regional Funds for a single project is not project duplication. **(Regional Funds; Program Manager Funds; VIP)**
16. **Employee Subsidy:** Projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor will not be considered for funding. For projects that provide such subsidies, the direct or indirect financial transit or rideshare subsidy must be available, in addition to the employees of the project sponsor, to employees other than those of the project sponsor. **(Regional Funds; Program Manager Funds; VIP)**



## Use of TFCA Funds

17. **Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project. For purposes of calculating TFCA funding effectiveness for TFCA Regional Funds (Evaluation Criterion #1), the 40% County Program Manager Funds will be included in the calculation of the TFCA cost of the project. TFCA Regional Funds will not be included in calculating the aggregate cost-effectiveness of each County Program Manager annual TFCA expenditure plan. **(Regional Funds; Program Manager Funds)**
18. **Cost of Developing Proposals:** The costs of developing proposals for TFCA funding are not eligible to be reimbursed with TFCA funds. **(Regional Funds; Program Manager Funds; VIP)**
19. **Administrative Costs:** Administrative costs are limited to a maximum of five (5) percent of total TFCA funds expended on a project. *Please see the Appendix of this document for Air District policy defining allowable administrative costs.* **(Regional Funds; Program Manager Funds)**
20. **Expend Funds within Two Years:** Any public agency or entity receiving Regional Funds must expend the funds within two years of the effective date of the Funding Agreement, unless a longer period is approved in advance by the Air District. In the case of the Program Manager funds, the funds must be expended within two years of receipt of the first transfer of funds from the Air District to the Program Manager in the applicable fiscal year, unless a longer period is approved in advance by the Program Manager. **(Regional Funds; Program Manager Funds)**

## Clean Air Vehicle (CAV) Projects

21. **Clean Air Vehicle Infrastructure:** The TFCA Regional Fund will fund the clean air vehicle infrastructure development associated only with electric vehicle projects and only under the following conditions: a) the maximum level of funding is limited to the amount necessary to satisfy the recharging demand created by the project; and b) after satisfying the project needs, the recharging infrastructure must be accessible, to the extent feasible, to other public agencies, private fleets, and the general public.

The TFCA Program Manager Funds may be used for both electric recharging and natural gas fueling infrastructure. The electric recharging and natural gas fueling infrastructure must be accessible, to the extent feasible, to other public agencies, private fleets, and the general public. **(Regional Funds; Program Manager Funds)**

22. **Light-Duty CAV Eligibility:** All chassis-certified vehicles (light- and most medium-duty vehicles) certified by the California Air Resources Board (CARB) as meeting established ultra low emission vehicle (ULEV), super low emission vehicle (SULEV), or zero emission vehicle (ZEV) standards are eligible for TFCA funding. Hybrid electric vehicles (HEVs) that meet the ULEV, SULEV, or ZEV standards are eligible for TFCA funding. **(Program Manager Funds; VIP)**
23. **Light-Duty CAV Funding Participation:** For clean air vehicle projects for passenger cars, pick-up trucks, and vans with a gross vehicle weight of 10,000 pounds or less, project sponsors may receive no more than the following funding incentive amounts:

**TFCA Funding**

**Eligible Vehicle**

**Amount Per Vehicle\*\***

*Please note: eligible vehicles and amount per vehicle will be determined at the Air District's Board of Directors meeting on June 18, 2003. After this date, the information may be obtained by calling your TFCA contact person (see page 4 of this document) or by downloading a copy of the 2003/04 Policies on our website at: <http://www.baaqmd.gov/planning/plntrns/tfcapage.htm>.*

\*\* These funding amounts will be pro-rated for leased vehicles in those cases where the vehicle is available for purchase.

**(Program Manager Funds; VIP)**

24. **New Heavy-Duty CAV Eligibility:** To be eligible for TFCA funding, *the engines of all new heavy-duty vehicles (including some medium-duty vehicles) must be certified to at least CARB's optional reduced-emission NO<sub>x</sub> plus non-methane hydrocarbon (NMHC) standard for 2004,*

*New vehicles that are bi-fuel, or that otherwise have the ability to operate on gasoline or diesel as their primary fuel are not eligible for funding (for purchase or lease) as TFCA clean air vehicle projects. (Regional Funds; Program Manager Funds)*

25. **Heavy-Duty CAV Funding Participation:** For clean air vehicle projects with a gross vehicle weight of more than 10,000 pounds, project sponsors may receive no more than the incremental cost of the cleaner vehicle. Incremental cost is the difference in the purchase prices of the clean air vehicle and its diesel or gasoline counterpart. However, public transit agencies, which have elected to pursue the "alternative fuel" path under CARB's urban transit bus regulation, may continue to apply for up to \$150,000 per alternatively fueled transit bus (30 ft. or bigger). **(Regional Funds; Program Manager Funds)**

**26. Heavy-Duty Vehicle Replacement:** Vehicles greater than 10,000 lbs. GVW purchased with TFCA funds must *either*:

- a) replace an existing similar or equivalent vehicle within the applicable vehicle fleet *or within the fleet of the project sponsor*. The vehicle being replaced must be removed from service and destroyed (i.e., destruction of the engine block and frame/chassis), *or*
- b) *add a diesel particulate filter to an existing similar or equivalent vehicle within the applicable vehicle fleet or within the fleet of the project sponsor. The filter must be certified or verified by CARB to reduce emissions and be approved by CARB for use with the relevant engine. This option requires the use of ultra-low-sulfur diesel.*

**(Regional Funds; Program Manager Funds)**

**27. Reducing Emissions from Existing Heavy-Duty Diesel Engines:**

- a) *Repowers – To be eligible for TFCA funding, the new engines selected to repower an existing heavy-duty vehicle (including some medium-duty vehicles) must be certified to at least CARB’s optional reduced-emission NO<sub>x</sub> plus non-methane hydrocarbon (NMHC) standard for 2004.*
- b) *Retrofits – Retrofit devices and technologies, and clean fuel additives or substitutes, compatible with existing heavy-duty diesel engines are eligible for TFCA funding, subject to the conditions described below:*
  - 1) *All devices or technologies must be certified or verified by CARB to reduce emissions and be approved by CARB for use with the relevant engine.*
  - 2) *The use of ultra-low sulfur diesel (15 ppm sulfur, or less) is required in conjunction with all particulate filter devices.*
  - 3) *Ultra-low-sulfur diesel is not eligible for funding.*
  - 4) *TFCA will fund, at most, the incremental cost (over what is standard or required by regulation) of the technology, fuel additive, or substitute.*
  - 5) *Particulate matter (PM) retrofit filters must meet the CARB 2004 standard of no more than 20% NO<sub>2</sub> slip.*

*For the Regional Fund, the sum of all projects funded under Policy #27 in a fiscal year shall not exceed 20% of the Regional Funds available for that fiscal year. For the Program Manager Fund, the sum of each individual County’s projects funded under Policy #27 in a fiscal year shall not exceed 20% of the County’s Program Manager Funds for that fiscal year.*

**(Regional Funds; Program Manager Funds)**

- 28. Bus Replacements:** For purposes of transit and school bus replacement projects, a bus is any vehicle designed, used, or maintained for carrying more than 15 persons including the driver. A vehicle designed, used, or maintained for carrying more than 10 persons, including the driver, which is used to transport persons for compensation or profit, or is used by any nonprofit organization or group, is also a bus. A vanpool vehicle is not a bus. **(Regional Funds; Program Manager Funds)**

### **SHUTTLE/FEEDER BUS SERVICE PROJECTS**

- 29. Shuttle/Feeder Bus Service:** Any application for a project to operate a shuttle or feeder bus route to and from a rail station, airport, or ferry terminal must:
- a) be submitted by a public transit agency; or
  - b) be accompanied by documentation from the General Manager of the transit agency that provides service in the area of the proposed shuttle route, which demonstrates that the proposed shuttle service does not duplicate or conflict with existing transit agency revenue service.

All shuttle/feeder bus service to rail or ferry stations must be timed to meet the rail or ferry lines being served.

Independent (non-transit agency) shuttle/feeder bus projects that received TFCA funding prior to FY 2002/03 and obtained a letter of support from all potentially affected transit agencies need not comply with “b” above unless funding is requested for a new or modified shuttle/feeder bus route.

All vehicles used in any shuttle/feeder bus service must meet the applicable California Air Resources Board (CARB) particulate matter (PM) standards for public transit fleets. *For the purposes of TFCA funding, shuttle projects comply with these standards by using one of the following types of shuttle/feeder bus vehicles:*

- a) an alternate fuel vehicle (CNG, LNG, propane, electric);*
- b) a hybrid-electric vehicle;*
- c) a post-1994 diesel vehicle and a CARB-certified particulate filter (this option requires the use of ultra-low-sulfur diesel); or*
- d) a post-1989 gasoline-fueled vehicle.*

*No other types of vehicles, except for those listed in a through d above, are eligible for funding as shuttle/feeder bus service projects.*

**(Regional Funds; Program Manager Funds)**

## BICYCLE PROJECTS

- 30. Bicycle Projects:** Bicycle facility improvement projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. For purposes of this policy, if there is no adopted countywide bicycle plan, the project must be in the county's CMP, or the responsible Congestion Management Agency must provide written intent to include the project in the next update of the CMP. Eligible bicycle projects are limited to the following types of bicycle improvement facilities: a) Class 1 bicycle paths; b) Class 2 bicycle lanes (or widening of outside lanes to accommodate bicycles); c) Class 3 bicycle routes; d) bicycle racks, including bicycle racks on transit buses, trains, shuttle vehicles, and ferry vessels; e) bicycle lockers; f) attended bicycle storage facilities; and g) development of a region-wide web-based bicycle trip planning system. All bicycle facility improvement projects must, where applicable, be consistent with design standards published in Chapter 1000 of the California Highway Design Manual. **(Regional Funds; Program Manager Funds)**
- 31. Arterial Management:** TFCA funds may only be used for arterial management projects where the affected arterial has an average daily traffic volume of 20,000 or more, or an average peak hour traffic volume of 2,000 or more. The project must specifically identify a given arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment. Projects that provide routine maintenance (e.g., responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funding. **(Regional Funds; Program Manager Funds)**
- 32. Smart Growth:** Physical improvements that support development projects that achieve motor vehicle emission reductions are eligible for TFCA funds subject to the following conditions: a) the development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, bicycle plan, pedestrian plan, *traffic-calming plan*, or other similar plan; and b) the project must implement one or more transportation control measures (TCMs) in the applicable Bay Area Clean Air Plan or Bay Area 2001 Ozone Attainment Plan. Projects that implement TCM 19 (pedestrian improvements) or TCM 20 (traffic calming) are encouraged. Projects that would implement other TCMs will also be considered for funding. **(Regional Funds; Program Manager Funds)**

## APPLICANT IN GOOD STANDING

33. **Monitoring and Reporting:** Project sponsors who have failed to fulfill monitoring and reporting requirements for any previously funded TFCA Regional Fund project will not be considered for new funding for the current funding cycle, and until such time as the unfulfilled obligations are met. **(Regional Funds)**
34. **Failed Audit:** Project sponsors who have failed either the fiscal audit or the performance audit for a prior TFCA project will, at the discretion of the Air Pollution Control Officer (APCO), not be considered for future funding. Any future funds, which are awarded to the agency, will not be released until all audit recommendations and remedies have been implemented. **(Regional Funds)**
35. **Signed Funding Agreement:** Project applicants will have to sign a Funding Agreement within three (3) months after it has been transmitted to them by the APCO in order to remain eligible for the granted TFCA funds. The APCO may grant a one-time extension of three (3) months to the applicant for just cause. Project applications will not be considered from project sponsors who were awarded TFCA funds in a previous year and have not signed a Funding Agreement with the Air District by the current application deadline. **(Regional Funds)**
36. **Implementation:** Project sponsors that have a signed Funding Agreement for a prior TFCA project, but have not yet implemented that project by the current application deadline, will not be considered for funding for any new project. The phrase "implemented that project" means that the project has moved beyond initial planning stages and *the project is being implemented consistent with the implementation schedule specified in the project funding agreement.* **(Regional Funds)**

## FISCAL

37. **Returned Funds:** TFCA returned funds accrue to the TFCA Regional Fund and will be allocated to new TFCA Regional Fund projects during the next funding cycle. TFCA returned funds consist of a) TFCA Regional Funds allocated to projects that are completed under budget, cancelled, or awarded an amount less than the Board approved allocation; b) any unallocated TFCA Regional Funds from the prior year funding cycle; or c) TFCA County Program Manager funds that are returned to the Air District. **(Regional Funds)**

## APPENDIX B

### **Draft Other Project Attributes for Evaluation Criterion #2** *Maximum 15 points total per Category*

*Note: This list will be finalized after project applications have been received and reviewed.*

#### **Shuttle/Feeder Bus Projects:**

1. Project utilizes low emission, alternative fuel vehicles (electric, natural gas, or propane) to provide the shuttle/feeder bus service.
2. Project will receive significant funding from private sector sources.
3. Project sponsor is first time TFCA shuttle/feeder bus project applicant.
4. Existing shuttle service which has demonstrated increasing ridership over the past year or longer.

#### **Bicycle Projects:**

1. Improves access to a transit system or to transit terminals.
2. Improves access to activity centers within 0.25 miles of facility.
3. Closes a key gap between existing segments of an eligible bicycle facility, or overcomes a key barrier in the local bicycle network.
4. Enhances bicycle safety, or eliminates an existing hazardous situation for cyclists.
5. Project is included in the regional bicycle network identified in the Metropolitan Transportation Commission's Regional Bicycle Plan.

#### **Smart Growth Projects:**

1. Project is along a high volume transit corridor or associated with a multi-modal transit center.
2. Project supports a Transportation for Livable Communities (TLC) project or a Safe Routes to School project. TLC projects can be viewed at the Metropolitan Transportation Commission's website at:  
[http://www.mtc.ca.gov/projects/livable\\_communities/tlc\\_grants.htm](http://www.mtc.ca.gov/projects/livable_communities/tlc_grants.htm)
3. Project supports high-density mixed-use development.
4. Projects would increase walking, bicycling and transit use (all three modes).
5. Redevelopment or infill project in existing high-density communities.

**Arterial Management Projects:**

1. Provides for transit bus traffic signal preemption.
2. Incorporates transit amenities that increase transit ridership, e.g., bicycle racks on transit buses, bus bulbs, queue jump lanes (short stretches that enable buses to bypass waiting queues of traffic), next bus arrival information, etc.
3. Faster transit service (i.e., increased bus speeds and shorter headways) resulting from the project is coordinated with other transit services.
4. Incorporates roundabouts, traffic circles, or other means of traffic calming.
5. Incorporates pedestrian and bicycle access and enhances bicycle and pedestrian safety.

**Clean Air Vehicle Projects:**

1. Reduces toxic diesel particulate exhaust by sensitive receptors (e.g. schools, hospitals, urban cores).
2. Demonstrates viability of new advanced clean vehicle technology (e.g. fuel cells, natural gas hybrids, auxiliary power units).
3. Expands access to alternative fuel infrastructure network: Points will be awarded based on project's contribution to enhancing the network of publicly-accessible alternative fuel infrastructure.

**Ridesharing; Rail-Bus Integration; Regional Transit Information:**

1. Increases ridership on a rail or bus line by improving rail-bus integration.
2. Provides better coordination and/or improved transfers among regional and local transportation systems.
3. Provides strong documentation to demonstrate that project will shift trips from low-occupancy private vehicles to high-occupancy alternative modes of transportation.



## APPENDIX C

### BAY AREA'S MOST IMPOVERISHED

#### NEIGHBORHOODS BY COUNTY

Projects that provide direct benefits to the following communities may qualify for points under TFCA Criterion #4.

**Note: Census tracts are 2000 Census tracts.**

Alameda County	
Neighborhood	Key Census Tract
West Berkeley	4232, 4233, 4234 and 4240.01, 4240.02
East Oakland	4075, 4088, 4090
Oakland - Elmhurst District	4084, 4089, 4094
Oakland - Fruitvale/San Antonio	4062.01, 4062.02
Oakland - San Antonio	4060
West Oakland	4007, 4009, 4010, 4013, 4014 4015, 4016, 4017, 4018 4019, 4021, 4022, 4024, 4025 4026, 4027, 4028, 4029, 4030, 4031, 4034

Contra Costa County	
Neighborhood	Key Census Tract
Concord - Monument Area	3240, 3361.01, 3361.02, 3362, 3280
Bay Point	3141.03, 3141.04
Pittsburg – Midtown Area	3100
Richmond - Coronado	3790 and 3800
Richmond - Iron Triangle	3750, 3760, 3770
North Richmond	3650.02

Marin County	
Neighborhood	Key Census Tract
Portion of Marin City	1290
Portion of Novato	1050
San Rafael - Canal Area	1122
San Rafael - Central Area	1110

Napa County	
Neighborhood	Key Census Tract
Portion of Calistoga	2020 Block Groups 1 & 3
Portion of St. Helena	2016, Block Group 6

## BAY AREA'S MOST IMPOVERISHED NEIGHBORHOODS BY COUNTY

San Francisco	
Neighborhood	Key Census Tract
Bayview/ Hunters Point	231.01, 231.02, 231.03, and 609
Chinatown	107, 113, 114, 115, and 118
South of Market	176.01, 176.02, 177, 178, 180, and 201
Tenderloin	124 and 125
Visitation Valley	605.01 and 605.02
Fillmore/Hayes Valley Area	161
Outer Mission District	208

San Mateo County	
Neighborhood	Key Census Tract
Daly City - Bayshore	6002, Block Group 1
Portion of East Palo Alto	6117, 6118, 6119, 6120, and 6121
Redwood City - North Fair Oaks Area	6102.01, 6102.02, 6102.03, 6103.02, 6105, 6106.01, and 6106.02
Portion of Menlo Park	5116.06

Santa Clara County	
Neighborhood	Key Census Tract
Central San Jose	5031.10, 5031.11, 5034.01, 5034.02, 5035.06, 5035.07, 5036.02, 5037.03, 5037.08, and 5037.09
East San Jose	5032.13, 5032.14
Portion of Gilroy	5126.01, Block Groups 1, 2, and 3

Solano County	
Neighborhood	Key Census Tract
Portion of Vallejo	2506.01, 2507.01, 2507.02, 2509, 2510 2511, 2512, 2515, 2516, 2518.02, and 2519.03

Sonoma County	
Neighborhood	Key Census Tract
Santa Rosa - Roseland	1514.01, 1514.02, 1519, 1520, 1531.01 1531.02, 1532, and 1533

## APPENDIX D

### TFCA ADMINISTRATIVE COSTS

This appendix provides the Air District's interpretation of Health and Safety Code Section 44233, which states that not more than 5% of the Transportation Funds for Clean Air (TFCA) funds distributed by the Air District can be used for administrative costs. A method to determine indirect costs related to both project implementation and grant administration is also provided below. The Air District will utilize the definitions and interpretations discussed below in the administration of the TFCA.

#### ADMINISTRATIVE COSTS

For project sponsors, administrative costs include the direct and indirect costs associated with entering into a TFCA funding agreement and accounting for TFCA funds. Administrative costs are limited by law to 5% of the total TFCA funds received by an agency. The Air District interprets this 5% cap to apply to both the TFCA funds received as well as any interest earned by an agency on those funds. Administrative costs may only be charged to a project where the hours worked to account for the funds and enter into the funding agreement are identifiable and documented separately from project costs. Documentation of the hourly charges may be provided either in the form of time sheets or any other generally accepted mechanism to allocate and document staff time. The project sponsor may choose not to charge any administrative costs for a TFCA project.

#### PROJECT COSTS

Project costs include direct and indirect costs incurred in the implementation of a TFCA funded project. Implementation includes fulfillment of all monitoring, reporting and record keeping requirements specified in the funding agreement as well as the costs of carrying out the substance of the project.

A project sponsor may choose not to charge any indirect costs to a TFCA project. The accounting methods used by many public agencies do not include identification of indirect costs or the application of an indirect cost rate. The agency may determine that it would not be worth the effort to change their system.

#### DIRECT COSTS

For *administrative costs*, direct costs are the sum of documented hourly labor charges and other costs directly and solely related to entering into the TFCA funding agreement and accounting for TFCA funds.

For *project costs*, direct costs are the sum of documented hourly labor charges, purchases, contracts or other costs directly and solely related to implementation of the project.

#### INDIRECT COSTS

The Air District relies upon OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* for determining appropriate indirect costs for TFCA projects. Consistent with the Circular, the Air District uses the following definition: Indirect costs are the reasonable overhead costs incurred in providing a physical place of work and in performing general support services and oversight. Examples include

rent, utilities, office supplies, computer, payroll, reproduction, mailroom support staff, and management oversight.

Using this definition, indirect costs for a TFCA project are calculated based on actual expenditures as follows:

The direct labor costs on the TFCA project or grant administration, excluding capital purchases and external contracts, divided by the total departmental or agency-wide labor costs, excluding capital purchases and external contracts, will equal the indirect cost rate for the TFCA project. The total departmental or agency-wide indirect costs, as defined above, multiplied by this indirect cost rate will equal the amount of indirect costs attributable to either the implementation of the TFCA project or the administration of the TFCA grant. These indirect costs are recoverable from TFCA funds.

#### Example

The Air District calculates indirect costs on an agency-wide basis. The indirect costs allocated to Air District-sponsored TFCA projects are the proportionate share of the actual costs incurred as management oversight and support services. We include most central services for the agency, such as costs for the operation of our Board of Directors, including the Clerk of the Board's office and the Board's Advisory Council, our Executive Office, the Administrative Division, Human Resources, the Legal Department, and the maintenance of the Air District's buildings, computer and communications equipment, and vehicles.

Project sponsors should be careful not to include functions unrelated to the TFCA project when determining indirect costs. We exclude Air District activities that do not provide services for the TFCA projects. Current examples of these are the running of the Air District's Laboratory, Hearing Board, and testing of emission levels from permitted stationary sources (e.g. refineries, powerplants, drycleaners, etc.). These are excluded since they relate only to the control of emissions from stationary sources.

A project sponsor may choose not to charge any indirect costs to a TFCA project. The accounting methods used by many public agencies do not include identification of indirect costs or the application of an indirect cost rate. The agency may determine that it would not be worth the effort to change their system.

#### **HOURLY LABOR CHARGES**

Hourly labor charges are the sum of the salary paid to an employee plus the cost of fringe benefits provided, expressed on the basis of hours worked on the TFCA project.

#### **TRAVEL AND TRAINING COSTS**

TFCA funds may be used for travel and training costs only if the travel and training are directly related to the implementation of the funded project. For example, the cost of training for mechanics to learn how to service natural gas clean air vehicles would be an allowable project related direct cost.